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Summary record of the 11th meeting
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Chairperson: Mr. Hassan Ali Saleh (Vice-Chairperson) ..... (Lebanon)

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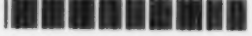

In the absence of Ms. Lintonen (Finland), Mr. Hassan Ali Saleh (Lebanon), Vice-Chairperson, took the Chair.

The meeting was called to order at 3.05 p.m.

Agenda item 59: Operational activities for development (*continued*)

(a) Operational activities for development of the United Nations system (*continued*) (A/62/188 and A/62/211)

(b) Triennial comprehensive policy review of operational activities for development of the United Nations system (*continued*) (A/62/73-E/2007/52, A/62/74-E/2007/54, A/62/211, A/62/253 and A/62/326)

(c) South-South cooperation for development (*continued*) (A/62/39 (Supplement No. 39), A/62/155, A/62/211 and A/62/295)

1. **Mr. Jallow** (Gambia) said that although the original mandate of the United Nations had been to maintain peace and security, that mandate had changed over the years to reflect the priorities of new Member States whose concerns were primarily poverty and development issues. That did not mean that the issues of development and peace and security were mutually exclusive: the former Secretary-General's report "In larger freedom: towards development, security and human rights for all" (A/59/2005) had emphasized the crucial links between security, development and human rights, which had been acknowledged by the international community.

2. While peace and security issues could be discussed at the international level within United Nations bodies and particularly the Security Council, development priorities were best addressed at the country level. The need for an improved United Nations development system at the country level was greater than ever. The donor community was increasingly channelling funds through the Bretton Woods institutions, whose adjustment programmes aggravated rather than alleviated poverty, and which lacked the technical expertise, coherent development goals and trusted interlocutors of the United Nations. Another avenue for development financing was through bilateral agreements, which were increasingly on a quid pro quo basis. For instance, development aid was granted in return for measures to improve good governance as set by the development partners. Such criteria usually excluded a large proportion of the world's population, as they lived in countries that could not meet the criteria. The sole use of such criteria would prevent the world from meeting the Millennium Development Goals, and those Goals could not be achieved without an adequately funded and better coordinated United Nations development system.

3. The triennial comprehensive policy review was therefore very important. The process was particularly important in the current year in the light of the current intergovernmental review of the High-level Panel on System-wide Coherence in the areas of development, humanitarian assistance and the environment and the recently concluded consideration of the United Nations Development Programme (UNDP) strategic plan 2008-2011. Measures to allow the different agencies to further benefit from each other's efforts and to avoid duplication of work were essential.

4. The critical characteristics of United Nations operational activities for development had to be maintained. The ability to respond to the development needs of programme countries in a flexible manner and the need for more flexible and predictable funding were important issues.

5. The issue of lack of country ownership should be addressed in the context of operational activities for development, as resources for development should be allocated and targeted in accordance with recipient countries' own development programmes and frameworks. Failure in that respect would not only hold back the long-term prospects for economic gains but would also undermine democratic processes.

6. Continuous efforts should be made to enhance South-South cooperation for development. It had enlarged and increased in volume over the past years in all areas, particularly trade and investment, which had had a significant impact on the current global economy. Despite that improvement, the need for equitable and all-encompassing economic growth and sustainable development remained a critical issue for developing countries. South-South cooperation was not an option but an essential complement to North-South cooperation that could contribute to the achievement of internationally agreed development goals, including the Millennium Development Goals. His Government agreed that South-South cooperation should be strengthened in a variety of areas. It was important to enhance direct cooperation between the Group of 77

and the Movement of Non-Aligned Countries in order to promote South-South cooperation through concrete initiatives and projects in all areas of interest to the countries of the South.

7. Rapid amalgamation of markets, mobility of capital, considerable increases in investment flows around the world and the process of globalization had brought new challenges and opportunities. Yet the benefits and costs of globalization were disproportionately distributed and developing countries faced economic and social difficulties in meeting that challenge. There was also a growing recognition that economic liberalization did not necessarily lead to social and economic benefits.

8. Many commitments made at United Nations conferences and summits in the economic and social fields had not yet been fully implemented. The international economic environment, with cyclical financial crises, external debt problems, insufficient levels of ODA, instability in commodity markets, the current uncertainty of the evolution of the multilateral trading system and disparities in foreign direct investment (FDI) flows and income distribution worldwide, was not conducive to achieving the Millennium Development Goals.

9. South-South trade should be enhanced. States should fulfil their commitments and implement the programmes and plans of action for South-South cooperation previously adopted at South-South conferences and summits.

10. **Ms. Rodríguez de Ortiz** (Bolivarian Republic of Venezuela) said that the international community had spent many years discussing development strategies to combat poverty, inequality and social exclusion as the common factor and most urgent problem of their societies. South-South cooperation was a fundamental pillar of her country's foreign policy, which was based on multipolarity, integration, complementarity, social inclusion and participative and activist democracy, in the context of bilateral political and economic relations. Only cooperation and common strategies in the context of regional and subregional integration would enable the peoples of the South to overcome the restrictions imposed on them and develop truly autonomous and independent strategies. Her Government's actions were aimed at expanding fair trade based on dialogue, transparency and respect, in order to contribute to truly sustainable development, offer better trade conditions and safeguard the rights of small producers and workers, especially in the South.

11. The Bolivarian Republic of Venezuela had carried out initiatives for South-South cooperation in the social, financial, energy and humanitarian fields and in general development financing. As her country was an oil producer and exporter, a fundamental pillar of its efforts in the context of South-South cooperation was energy integration. The PetroCaribe, PetroSur and PetroAmerica initiatives were intended to establish cooperation and integration mechanisms using the energy resources of the Caribbean, Central American and South American subregions as a basis for socio-economic development of the peoples of the continent. Her country was currently selling about 200,000 barrels per day of oil to Central America and the Caribbean. In addition to providing energy security to support the sustainable development of the peoples concerned, that sale represented a consolidated saving of US$ 1.6 billion per year for the countries concerned.

12. In that context, the Bolivarian Alternative for Latin America and the Caribbean (ALBA), has shown that relations between peoples could be based on an entirely different philosophy designed to overcome the evils affecting the peoples of the continent and humanity, and especially to eradicate poverty, in order to construct a new model of integration and avoid the devastation caused by the application of neoliberal strategies. The ALBA Caribe Fund for economic and social development was designed to finance social and economic programmes in the countries signatories to the agreement. Contributions consisted of financial and non-financial instruments and could be made from the financed portion of the oil bill or from the savings resulting from direct trade. The Fund had already brought direct or indirect benefits to many of the inhabitants of the countries involved. ALBA had also funded energy integration projects in Bolivia, Cuba and Nicaragua.

13. Other important initiatives in the context of South-South cooperation were the Miracle Mission for the treatment of patients with eye problems and the Robinson Mission, a joint literacy effort with Cuba.

14. In the financial sector, her country had led the way in generating financial cooperation and integration mechanisms by purchasing debt bonds from other countries and establishing new financial institutions with a social mission such as the Bank of the South.

Other significant initiatives launched by her Government in Latin America and the Caribbean between 1999 and 2006 included mechanisms for reimbursable cooperation to a value of almost $500 million and another $15 million in non-reimbursable cooperation to a large number of developing countries in areas such as infrastructure, energy, agriculture and general development financing.

15. With those new and innovative associations, the Bolivarian Republic of Venezuela had facilitated an exchange of information on best practices with brother peoples of the South on education, technical and other kinds of knowledge and know-how and had been able to move forward with its national development plan. Those efforts showed that political will based on the principles of solidarity, cooperation and complementarity offered great opportunities to combat underdevelopment, social exclusion and hunger.

16. United Nations entities and regional organizations should incorporate the best practices of South-South cooperation in their policies and operational programmes with a view to strengthening national capacities in the developing countries. In that context, her delegation welcomed the recommendation of the high-level meeting on the exchange of experiences in oil and gas development, held in Doha in September 2007, to establish a South-South centre and a network for hydrocarbons management.

17. **Mr. Heller** (Mexico) stressed the vital role of operational activities for development in supporting middle-income countries. According to the Organization's own data, a large percentage of the world's poor lived in middle-income countries and their needs should therefore be taken into account, without, of course, neglecting work in other regions and without creating competition for resources. The effectiveness, efficiency and coherence of operational activities for development should be enhanced, as well as their financing, in middle-income countries in general and Latin America in particular. In accordance with the principle that each country was responsible for its own development, United Nations agencies should provide technical cooperation and assistance in accordance with the priorities established by each country.

18. Close collaboration between the coordinators of United Nations programmes, funds and agencies and the governments of the recipient countries, as well as public- and private-sector and academic actors and social organizations, was extremely useful for the joint formulation of a contribution to national development plans. That sharing of effort, experience and capacities could help to identify the specific objectives that were relevant for national economic and social development in a way that was consistent with the human development goals of the United Nations. In that context, his Government welcomed the contribution of those programmes, funds and agencies to the preparation of the 2006 common country assessment for Mexico, which had identified the main challenges facing the country and facilitated the subsequent preparation and signing of the United Nations Development Assistance Framework (UNDAF) for 2008-2012.

19. In relation to the financing of operational activities for development, Mexico supported full compliance with internationally agreed ODA commitments and joined the call to donor countries and to those who were in a position to do so to increase the certainty and stability of the regular budget of the funds and programmes. Although his country was already making the tenth largest contribution to the regular budget of the United Nations, it was also making an exceptional effort to find ways of meeting the substantial rise in its contributions to UNDP, in the context of its "graduation" to net contributor country status.

20. Budget management for United Nations development efforts should be accompanied by measures to ensure the most efficient, effective and transparent possible use of resources by reducing transaction costs and maximizing efficiency. It was very useful to take into account the experiences of other programmes and specialized agencies and make periodic evaluations of progress in relation to simplifying and harmonizing administrative rules and procedures. Resident coordinators should engage in fund-raising to ensure that they could carry out their activities properly.

21. In relation to the coherence, efficiency and relevance of operational activities for development, all organizations of the United Nations system should improve their coordination in accordance with the relevant mandates and decisions of their governing bodies in order to avoid overlapping and duplication of tasks and to enhance their complementarity with

national efforts. Solutions to national problems should be tailored to local circumstances.

22. Resident coordinators should be given proper support and their work should be based on the principles of participation, inclusion, collegiality, transparency and accountability. Mexico also agreed with the statement in the report of the Secretary-General that the resident coordinator represented the United Nations as a whole, including agencies without a country presence. In that context, and recognizing the progress made in the past few years, delegations could reflect on the recruitment processes for senior officials in the United Nations development system and the need to strengthen principles such as transparency and competition for posts in order to find the best candidates both within and outside the system, standardize selection and recruitment practices and procedures in all agencies and ensure that gender and geographical balance criteria were duly taken into account.

23. In relation to regional dimensions, his Government welcomed the recommendation contained in the Secretary-General's report that the organizations of the United Nations system and its regional and subregional commissions and entities should strengthen their collaboration.

24. South-South cooperation was very important for sustainable development and for creating and strengthening local capacities. It was in no way a substitute for North-South cooperation, however, and should be understood as a complementary tool based on mutual learning and solidarity. His delegation welcomed the proposal to hold a high-level conference on South-South cooperation in Argentina.

25. Mexico was in a special situation in terms of international cooperation as both a recipient of international technical cooperation from relatively more developed countries and from international organizations and a provider of human and technological resources to support other developing countries, in particular, through its Meso-American Cooperation Programme. The purpose of Mexico's international cooperation was to strengthen relations between States and national capacity-building in order to enhance social development to combat extreme poverty and contribute to preserving and regenerating the environment and natural resources. Mexico also supported other innovative forms of international cooperation, particularly triangular cooperation schemes.

26. **Mr. Riofrío** (Ecuador) said that the Buenos Aires Plan of Action for Promoting and Implementing Technical Cooperation among Developing Countries, the Marrakesh Plan of Implementation of South-South Cooperation and other international instruments had contributed to the development of South-South cooperation in the international context, establishing it as an essential tool to mobilize human and economic resources of the South for the South, based on the principles of solidarity and the claim of developing countries and respecting the sovereignty and independence of States. South-South cooperation for development was not a substitute for North-South cooperation but was complementary, as it encouraged States of the South to share their experience and resources with other States with similar characteristics.

27. Ecuador was a beneficiary of triangular cooperation, which also contributed to the development of South-South cooperation by associating a traditional cooperation source with a middle-income country in cooperation projects in a third country. Under such an arrangement, resources from the North could be combined with the knowledge and experience of middle-income countries to benefit countries at a less advanced stage of development. Those modalities of cooperation were particularly important for those Latin American countries which had not experienced an increase in ODA. Triangular cooperation strengthened South-South cooperation and countries should make use of both of those tools in order to achieve internationally agreed development goals. Ecuador therefore urged the international community, including the international financial institutions, to provide firm support for developing countries' efforts in that context.

28. Ecuador, as an active participant in South-South cooperation, called for implementation of the results of the meeting of the High-level Committee on South-South Cooperation, held in New York in June 2007, especially in relation to enhanced harmonization and coordination among the entities of the United Nations system in order to include modalities for support of South-South cooperation in their programmes and activities. His delegation attached great importance to the proposal submitted to the High-level Committee to celebrate the thirtieth anniversary of the adoption of

the Buenos Aires Plan of Action in the city where that instrument had been produced.

29. **Mr. Petranto** (Indonesia) said that, with the deadline for achievement of the Millennium Development Goals a few years away, it was vital to formulate an operational framework for United Nations development activities that reflected developing countries' needs and encouraged greater participation of the international community. The outcome of the current triennial comprehensive policy review should be driven by the vision of a stronger role for the Organization on development issues, and the need to pursue implementation of internationally agreed development targets, including the Millennium Development Goals. System-wide policy orientation for development cooperation and country-level modalities was essential, including for UNDP. It was therefore vital that the review process should not be superseded by parallel processes and that United Nations development activities remained universal and multilateral.

30. If recipient countries were to be assured of a sustainable level of development, those operational activities must be endowed with predictable funding. Simplified programme delivery, sensitivity to national development programmes and coordination with government efforts were equally important. The United Nations must also create an environment that promoted global partnership for development, encouraging development partners and bilateral donors to promote cooperation programmes to support national development strategies. The balance between core and non-core funding resources needed to be restored and an adequate base established for development assistance.

31. South-South cooperation maintained and strengthened solidarity and unity in the developing countries' interests, complementing North-South cooperation and enhancing exchanges of best practices among developing countries, regardless of their development level. In that connection, the UNDP Special Unit for South-South Cooperation must be strengthened so that it could play an active role in integrating the efforts of the United Nations system. His delegation therefore welcomed the forthcoming conference on South-South Cooperation to be held in Argentina to commemorate the thirtieth anniversary of the adoption of the Buenos Aires Plan of Action.

32. Since the establishment of a NAM Centre for South-South Technical Cooperation in Indonesia, his country, together with other countries of the North and South, had provided training to — and shared expertise with — nationals of countries in the Asia-Pacific and Africa regions. Moreover, the Asia-Africa Summit 2005 had launched the New Asian-African Strategic Partnership for fostering political solidarity, economic cooperation and sociocultural relations. It had also launched a number of South-South initiatives, and others were in the pipeline. In the interest of solidarity, his delegation called for the convening of an Asian-African Conference on Capacity-building for Palestine. It also advocated action to prevent international development efforts from collapsing under the weight of unwritten and hidden international barriers to development. The international community must adhere to the principles of the Charter of the United Nations in delivering development wherever it was needed.

33. **Mr. Arsenault** (Canada) said that progress in some areas of the 2004 triennial comprehensive policy review had been uneven, and his delegation wished to work with all Member States to fill those gaps, while building on progress in other areas to improve the efficiency and development impact of the United Nations at the country level. While important gains had been made in coordination of efforts at the country level around a common UNDAF with the developing countries' approval, further efforts were needed to ensure that UNDAFs were more aligned with their needs and development plans and provided a strategic framework to guide the entire system's country efforts under a common vision and national leadership, rather than representing an aggregation of individual organizations' country programmes. The United Nations must strengthen its collective country-level capacity, an endeavour for which knowledge management was vital. There were, however, impediments, sometimes in the form of differing procedures and business practices, which hampered coordination and entailed high transaction costs. Although the resident coordinator system had greatly improved, it needed better to reflect United Nations system demand at the country level; the members of the United Nations family must engage more fully in the system so as to ensure that it served all their needs and better represented them all.

34. Turning to funding, he stressed that it was only one of the causes of the current fragmentation. It could not be analysed on its own, for it went hand in hand with results, efficiency and accountability. Accountability frameworks must reflect Member States' needs and interests. In that connection, while there had been considerable progress on evaluation since 2004, the 2007 triennial comprehensive policy review should guide the application of the norms and standards of the United Nations Evaluation Group. Stronger evaluation functions throughout the system and evaluation policies in organizations where they were lacking would enhance knowledge management across the system and strengthen developing countries' evaluation ownership and capacity. Canada also wished to work with Member States to establish time-bound targets and clear benchmarks in the 2007 review for enhanced system-wide use of results-based management.

35. Since there could be no significant advances in achievement of the internationally agreed development goals, including the Millennium Development Goals, without gender equality, his delegation applauded the creation of the gender theme groups, and increased joint country programmes and inter-agency work on gender mainstreaming, which was the responsibility of the United Nations. Accelerated and practical action in that area would advance sustainable poverty reduction and human rights. Accordingly, the funds, programmes and agencies must set concrete gender-equality goals, establish sex-disaggregated indicators, track country teams' allocations and spending on gender equality, and adopt institutional accountability mechanisms. His delegation wished to help improve United Nations operational activities so that their delivery on the ground contributed to lasting poverty reduction.

36. **Ms. Gebre-Egziabher** (Director, New York Office, United Nations Human Settlements Programme (UN-Habitat)) said that since the adoption of the Habitat Agenda in 1996, South-South cooperation had been the centrepiece of the agency's mandate and operations. The Agenda called for enhanced cooperation, technology transfer and the systematic exchange of knowledge and expertise to meet its twin goals of shelter for all and sustainable urbanization. With 2 billion people expected to join the ranks of urban dwellers in developing countries in the next 25 years, an average of 35 million homes — in addition to the necessary infrastructure and services — would need to be built each year for the next 25 years in order to accommodate them. Of the 1 billion urban dwellers currently living in slums, 94 per cent lived in the South, while the proportion of slum dwellers in the least developed countries stood at 78 per cent, and the total proportion for developing countries was 42 per cent. The scale and pace of that irreversible transition posed considerable challenges for attainment of the Millennium Development Goals, the battle for which would be won or lost in the cities. Without large investments in housing and urban development over the next two decades, most of the growing urban population in the South would not escape the trap of urban poverty, deplorable housing conditions, poor health, poor nutrition and low productivity.

37. Any form of cooperation required systematic matching of supply and demand for knowledge, expertise and experience. Accordingly, with the generous support of the Chinese Government, her agency had conducted global activities for promoting South-South and triangular cooperation for housing and urban development to forge a global framework at the regional and country levels. The Chinese Government had hosted three international conferences since 2000 — one on learning from best practices, which had resulted in the Chengdu Declaration on ways in which the Habitat Agenda could best be implemented through transfer and exchange of best practice expertise; another, in 2002, on financing social housing, which had been attended by housing finance stakeholders from all developing countries; and a third, on sustainable urbanization strategies, which had compared national experiences in social and economic development aimed at more balanced territorial development.

38. Slum improvement and prevention were a major part of the agency's regional activities, and, replicating the experience of the Meeting of Ministers and High-level Authorities on Housing and Urban Development for the Latin America and Caribbean region (MINURVI), UN-Habitat had organized ministerial meetings on housing and urban development for the Africa and Asia-Pacific regions. They had provided a forum for the exchange of experience in coping with rapid urbanization and urban growth, and would be followed by annual regional high-level meetings, which would eventually include countries with economies in transition. It was incumbent upon the international community to seize the opportunity

afforded by information-communication technology to match supply and demand for knowledge. UN-Habitat could make a small but significant contribution in the form of its best practices database as the portal for South-South cooperation for sustainable development.

The meeting rose at 5.40 p.m.